



U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
CALIFORNIA DIVISION
650 Capitol Mall, Suite 4-100
Sacramento, CA 95814

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IN REPLY REFER TO
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Mr. Tony Harris, Acting Director
California Department of Transportation
1120 N Street
Sacramento, CA 95814

Attention: Federal Resources Office, Room 3500
Rachel Falsetti, Transportation Programming

Dear Mr. Harris:

**SUBJECT: Merced County Association of Governments (MCAG) Amendment No. 17 to
the 2002/03-2004/05 Federal Transportation Improvement Program (FTIP)**

We have completed our review of Amendment No. 17 to MCAG's 2002/03-2004/05 Federal Transportation Improvement Program (FTIP) and required Conformity Determination that was submitted electronically on June 23, 2004. MCAG adopted Amendment No. 17 with Resolution No. 2004/06-17-02 on June 17, 2004, approving the program changes and making a conformity determination for MCAG's FTIP as amended.

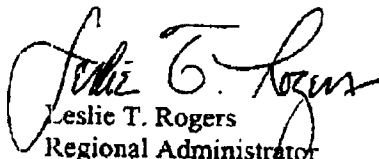
This amendment adds numerous transit and non-transit Congestion Mitigation and Air Quality (CMAQ) projects and facilitates the delay of several State Transportation Improvement Program (STIP) projects. The deletion/delay of several projects from the triennial element required that a new conformity determination be made.


We accept this amendment in accordance with the provisions of 23 CFR Part 450. We find that this amendment was developed through a continuing, cooperative, and comprehensive transportation planning process carried out in accordance with the provisions of 23 U.S.C. section 134, and section 8 of the Federal Transit Act (49 U.S.C. app. §1607).

Based on our review, we find MCAG's FTIP through Amendment No. 17 conforms to the applicable SIP in accordance with the provisions of 40 CFR Parts 51 and 93 as well as the Environmental Protection Agency's May 14, 1999 memorandum "Conformity Guidance on Implementation of March 2, 1999 Conformity Court Decision." Pursuant to 40 CFR Part 51 and 93, this finding has been coordinated with the Region IX office of the Environmental Protection Agency.

We find the financial documentation supports MCAG's determination of financial constraint of the region's 2002/03-2004/05 FTIP and we extend our programming approval to the projects listed in this amendment. In addition, this letter constitutes approval for inclusion of MCAG's FTIP Amendment No. 17 into California's 2002/03 - 2004/05 Federal Statewide Transportation Improvement Program (FSTIP).

Sincerely,


Leslie T. Rogers
Regional Administrator
Federal Transit Administration


For
Gene K. Fong
Division Administrator
Federal Highway Administration